

# POWER AFRICA OFF-GRID ENERGY CHALLENGE ROUND II

## FREQUENTLY ASKED QUESTIONS & RESPONSES

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New questions posted **June 17, 2014!**

- 💡 *Clarify what you mean by the “project duration cannot exceed 12 months.” What activities must be completed within this time frame?*
  - All of the activities outlined in the Project Milestones section (section ix) must be completed within the 12 month timeframe.
- 💡 *In order to be eligible for the funding, does USADF expect that the project will be initiated within 2014? Can the money be used starting sometime in 2015?*
  - The 12 month project period begins with the signing of the grant which is anticipated to be in August or September 2014. Funds are to be disbursed based on the completion of the milestones. It is expected that those milestones will take place within designated the 12 month period.
- 💡 *We would like to know if “Section XI - Financial Estimate” should include the proposed grant from USADF to calculate the net profits over the years?*
  - Capital costs are not to be included in the Revenue and Expenses in section IX.
- 💡 *Clarify what information you would like captured in the operational budget section versus total project cost section. Our challenge is that there will be additional expansions of the renewable energy system in years 2 and 3 but we are unsure how to capture that within the framework of this project.*
  - If there is additional investment beyond year one, then that would be considered outside of this project.
- 💡 *If our owners reside outside of Africa, are we eligible to apply?*
  - Applications will not be considered if they are not 100% African owned and are not 100% African managed.
  - All owners, members of the Board of Directors and senior management must be from and reside in the country where the project will be located.
- 💡 *Do you accept emails from web based email providers such as Gmail, Yahoo or Hotmail?*
  - If you have a concern that USADF might have difficulties receiving your submission because of the file size or type of email, please make sure to send your submissions before June 20<sup>th</sup> or early enough on June 20<sup>th</sup> that there is time to resend them if they bounce back.

New questions posted **June 5, 2014!**

💡 ***Please explain which types of applicants are eligible to apply. Are proposals from individuals eligible? Are centers of applied research and/or universities eligible? Are government organizations like government research institutions eligible?***

- The Challenge can accept proposals from individual applicants provided they have a registered entity (company or organization) in the country in which they are proposing to execute the project. We welcome proposals from research institutes, universities, not-for-profit organizations and other groups. All proposals must meet the minimum qualifications as specified in the RFP section “Eligibility Criteria” and will be scored based on the criteria established in the section “Proposal Assessment and Primary Scoring Criteria.” The RFP can be downloaded here: <http://www.usadf.gov/offgrid/PowerAfricaChallenge-Round2.htm#Downloads>.

Unfortunately government-owned or -operated organizations are not eligible for the Challenge.

💡 ***Can you explain how to calculate the financial analysis and estimated return on investment? Can you explain how to calculate these for a non-for-profit that is operating with a social model?***

- All applicants must complete a brief financial analysis and an estimated return on investment in their application. The financial analysis should calculate the variable and fixed costs associated with providing the off-grid energy service and the estimated revenues from the implementation of the project. Winning projects must demonstrate financial sustainability or the potential for financial sustainability. A winning project will demonstrate that it will be able to cover the costs of operation as well as the costs associated with replacement of equipment and infrequent maintenance costs. Estimated return on investment will calculate the returns on the initial project investment by comparing the initial cost of investment to the future value of the investment divided by the initial investment cost. There is no special method for how a non-for profit entity should conduct its financial analyses and estimated return on investment, but a non-for-profit should operate its off-grid solution in a sustainable manner.

💡 ***Is the proposal to be limited to fourteen pages exclusive of the attachments?***

- The completed application form template cannot exceed 14 pages, using a 10-point font. However, there is no page limit for the requested attachments.

💡 ***Three applicants want to join together and submit a joint proposal. How can this be done?***

- Applicants are welcome to partner with other organizations to strengthen their proposal. The contact details, background information and expertise of all applicants working in partnership must be provided to adequately assess the suitability of the joint proposal. Where space is limited in the application template, joint applicants can submit annexes to their proposal to address the questions for all applicants in the partnership.

💡 ***We are very interested in your Challenge but are not ready to apply for this round. When will you have Round Three and Four?***

- We have not yet established the dates for the third and fourth round of the Off-Grid Energy Challenge. We encourage you to continually refer to the USADF website for regular updates on Round 3 and 4.

💡 ***In the project timeline/milestones section of the application template, can you explain the section required deliverable?***

- The grants awarded will be milestone based, where disbursements from the grant will be made upon successful completion of key milestones. Milestones are points in the life of the project where key achievements can be measured and documented. Each milestone must be accompanied by a deliverable. A

required deliverable for the project milestones must demonstrate that the milestone has been completed. A deliverable can be in the form of a USADF site visit verifying that construction is complete, project design documents or any other concrete action or document that adequately serves as documentation that a milestone is successfully completed.

## Questions posted **May 23, 2014**:

### *How do I apply?*

- All information on how to apply including responses to Frequently Asked Questions is on our webpage: [www.usadf.gov/offgrid/PowerAfricaChallenge-Round2.htm](http://www.usadf.gov/offgrid/PowerAfricaChallenge-Round2.htm).
- This page contains the Request for Proposals and the Proposal Template in both PDF and Microsoft Word formats. The Request for Proposals describes the Challenge in detail including eligibility criteria, project design examples, scoring criteria, guidelines for winning proposals, and timeline for entire application process.

### *Can I request a meeting to discuss the Power Africa Off-Grid Energy Challenge?*

- To avoid partiality, USADF cannot hold individual or group meetings with applicants. Responses to all relevant questions will be posted periodically on [www.usadf.gov/offgrid/PowerAfricaChallenge-Round2.htm](http://www.usadf.gov/offgrid/PowerAfricaChallenge-Round2.htm) under “Frequently Asked Questions.”

### *Please explain the 100% African owned and 100% African managed requirement. Does that apply to advisors, dual citizens, and organizations the applicant works with?*

- USADF is accepting proposals submitted by companies, organizations and enterprises that are 100% African owned and 100% African managed. For example, an entity is eligible to apply in Tanzania only if all official owners, directors of the Board, and senior managers are proven citizens of a Sub-Saharan African country and if the entity operates within Tanzania and if the proposed project’s beneficiaries are Tanzanians living in Tanzania.
- Owners and managers who are dual citizens are also eligible to apply, provided that one of the countries of citizenship is in Sub-Saharan Africa. It is also acceptable for an applying entity to employ non-senior managers and personnel who are not African. Additionally, eligible entities are welcome to collaborate with and utilize advisors, equipment, and/or technology from non-African sources.

### *We are a start-up company looking for funding to launch the business. Do we need to be in operation to apply?*

- Applying entities must have a proven track record of experience or show that their sponsors and/or partners have a proven track record of related experience. A proposal will not be considered if the adequate field expertise is not documented or if the applicant does not document how the entity plans to acquire such necessary experience.

### *Are multiple submissions, either within the same country or different countries, allowed in this round?*

A single entity is welcome to submit multiple, unique proposals within one country. An entity could also submit a single proposal to multiple countries, provided that the applying entity is legally registered in each of the countries and that the proposed project can be executed in each country. Please note that any applying entity can only win a maximum of one award, regardless of the number of proposals submitted.